

3

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Smugglers, Gun Runners, Spies Cross Paths in Cyprus

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Washington Post Foreign Service

NICOSIA, Cyprus—Over the past two years, this sleepy Mediterranean island, whose postcard-perfect mountain villages and topless beaches attract 1 million European tourists each summer, has revealed an increasingly seamy underside of espionage, drug trading, gun running and international political intrigue.

Already torn by the competing interests of its Greek- and Turkish-speaking population, Cyprus has become a strategic transit point for Palestinian fighters returning to Lebanon; for Middle East drug traffickers shipping heroin and hashish to the West, and for U.S. and British intelligence collection.

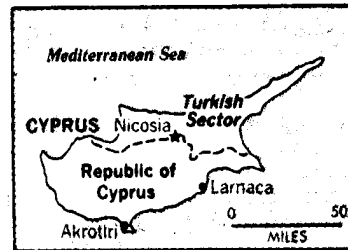
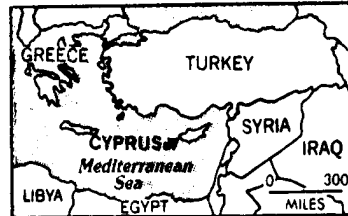
"The island is an ideal meeting spot," said one western law enforcement official. "It's a place where people meet to cut up dope deals and gun deals and use the communications facilities to talk to the rest of the world about their dope deals and gun deals."

From the growing record of drug and weapon seizures here, it is also a place that smugglers, spies and gun runners find convenient to pass through on their way into or out of the Middle East.

On any Mediterranean evening, some of them can be found in the piano bar of the Cyprus Hilton, a favorite watering hole for international travelers. Last week a young singer named Sally crooned huskily over the cigarette smoke and muted conversations in languages that included English, Hebrew, Russian, French, Arabic and Greek.

Like some of the great spy centers of old—Casablanca during World War II and Cairo during the years of Soviet influence—Cyprus wears its new label uneasily.

In January, the Cypriot government denounced Israeli charges that the island had become a base of operations for the Palestine Liberation Organization. During the month, Israeli gunships twice intercepted the regular ferry boats that



BY DAVE COOK—THE WASHINGTON POST

carry passengers into and out of Lebanon and warned the captains that Israel would not tolerate the continued passage of PLO fighters.

In the meantime, government officials have increased security at ports and airports. And new, high-powered, French-built patrol boats prowl the coastline to cut down on illegal traffic, prompting U.S. Ambassador Richard W. Boehm last fall to praise the "commendably strong efforts" of Cyprus authorities "to halt the flow" of drugs through its waters and ports.

But chiefly because the island is open to all comers, and because it is a strategically located way station at the crossroads of Middle Eastern and European transit routes, it is open to all the intrigue the region can dish up.

Both the Soviet Union and the United States maintain large embassies here; Israel, Libya, Syria and the PLO all have missions within a short distance of each other.

One U.S. diplomat in the region said the security here is lighter than at most Middle East posts. "To be honest with you, I feel more secure when I am in Beirut than in Nicosia," the diplomat said.

Said another westerner, more bluntly, "This place is a disaster waiting to happen."

In fact, the island's population has witnessed escalating violence in the past two years. In 1985, bombs ripped through the home of a PLO first secretary and killed the Iraqi Airways office manager. In September of that year, three Israelis were murdered aboard their private yacht. The attack, by pro-PLO gunmen—including a Briton—

who had slipped into Cyprus looking for Israelis to kill, provoked a devastating air raid by Israel against the PLO headquarters in Tunis six days later.

Last August, unknown terrorists fired rockets, mortars and automatic weapons at the British air base at Akrotiri, damaging a runway, several barracks and a transport plane, according to knowledgeable sources.

Then in December, the body of the island's 70-year-old "Cabaret King," whose bar girls figured in a Soviet spy ring uncovered at a highly classified British military base, was found strangled in his downtown Nicosia apartment.

Meanwhile, security forces have been apprehending an increasing number of gun runners, many of them en route to supply the militias of Lebanese warlords. One Palestinian was caught last year smuggling hand grenades in Chianti bottles.

The espionage business came to Cyprus in earnest after World War II when Britain's secretive General Communications Headquarters set up radio interception bases here to gather intelligence from the airwaves and protect British interests in the Middle East.

Under a 1947 agreement, the GCHQ began sharing its electronic intelligence "take" with the U.S. National Security Agency, and thus became an equally important listening post for American interests in the region.

Today the British air base at Akrotiri not only launches U.S. SR71 photo reconnaissance flights, but also American U2 spy planes that drag mile-long antennas to gather military and civilian radio signals from such places as Iran, Libya, Syria and Iraq, according to intelligence sources.

The airborne intelligence collection supplements a sophisticated ground listening station at Ayios Nikolaos, home of the British 9th Signals Regiment.

The U.S. Army helicopter shuttle between Cyprus and the heavily guarded landing pad at the U.S. Embassy compound in east Beirut is the only current point of entry to Lebanon for U.S. officials.

During last year's hostage release drama, dozens of newsmen staked out Larnaca's airport to catch a glimpse of outward bound hostages as well as the back-and-forth travels of hostage negotiators, such as Church of England envoy Terry Waite. "Waite Watchers," the airport crews dubbed themselves.

Former National Security Council aide Lt. Col. Oliver North used the Cyprus-to-Beirut helicopter link in the covert White House efforts to trade U.S. arms to Iran for hostages taken in Lebanon.

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North carefully shrouded his travels, according to sources here. During his last exit from Lebanon, on Nov. 3, U.S. Embassy officials organized a hasty press conference in one part of the airport to distract television cameras long enough for North to slip out of Cyprus undetected.

Though foreigners are welcome here, opposition to U.S. and British spy flights is growing. Western officials suspect that the Soviet KGB secret police is responsible for energizing the Cypriot Akel Communist Party to campaign vigorously against the bases. The debate has gathered many partisans on both sides and reportedly prompted one irreverent air traffic controller last month to hail a U2 flight with: "Good morning, spy plane."

But the bases also have been a problem for their western tenants. In one of the most alarming spy scandals in British history, seven young British servicemen from the 9th Signals Regiment were charged and tried for their role in passing bags of top secret documents from their communications intercept work to Soviet agents.

The young men were acquitted after a secret trial, but only after the prosecution outlined how they allegedly were ensnared by Soviet agents and Filipino bar girls, who photographed them in homosexual encounters and blackmailed them.

An official British inquiry into the base operations on Cyprus later concluded that it was a place of "temptation" and was fraught with the "risk of blackmail."

Another kind of spying has become an important part of life on Cyprus for local and foreign governments.

The U.S. Drug Enforcement Administration has a small but active office in the U.S. Embassy here, collecting intelligence on one of the world's fastest growing heroin and hashish production centers: Lebanon's Bekaa Valley.

Law enforcement sources say there is evidence that some of Lebanon's most prominent families, as well as Palestinian guerrillas and other militia forces that control illegal ports, are deeply involved in the drug trade and use its revenues to finance their organizations.

There are no DEA officials in Lebanon, though the majority of U.S.-bound heroin smugglers caught worldwide last year were Lebanese citizens, according to Interpol statistics.

"Cyprus has become an important transshipment point for drug traffic from East to West," U.S. Ambassador Boehm warned recently.

Even in the Turkish-controlled northern third of the island, drug smuggling is on the rise. Last fall, London police broke up a ring that was shipping top quality Turkish heroin from Cyprus hidden inside Christian icons and Moslem tombstones.

The island's increasingly uncomfortable role as a center of espionage and smuggling is not likely to fade soon. The signs of intrigue are easy to spot. A news item last month reported that a small suitcase containing \$500,000 worth of jewelry and currency was found abandoned at Larnaca airport.

The police would like to talk to its owner, but no one has come forward to claim it.